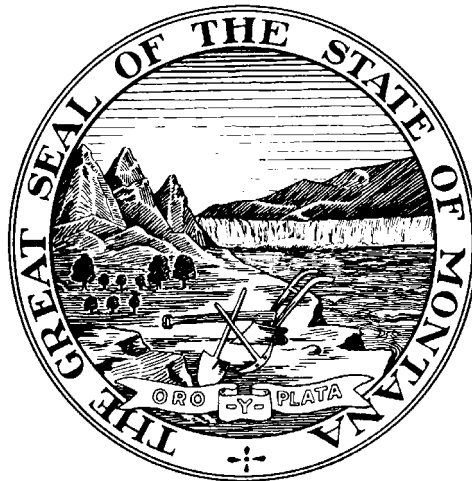


State of Montana



2008 Retiree Booklet



Managing your insurance benefits at retirement

Department of Administration • Health Care and Benefits Division

PO Box 200127 • Helena MT • 59620-0127

1-800-287-8266 or 444-7462 in Helena

www.benefits.mt.gov



**STATE OF MONTANA
DEPARTMENT OF ADMINISTRATION
HEALTH CARE AND BENEFITS DIVISION**

**PO Box 200127
Helena Montana 59620-0127**

**1-800-287-8266
(406) 444-7462**

Retirees,

This booklet contains information about your options for continuing with the State Employee Group Benefits Plan as a 2008 retiree. **Please disregard this information if you have already made your retiree elections through your agency.** If you are making your elections now, please read all the information carefully.

Your options, explanations, and description of required forms are described in detail below.

You can continue coverage with the State Employee Group Benefits Plan as a retiree if you are eligible at the time you leave active State employment, to receive a monthly retirement benefit under the application provisions of your particular retirement system. If you have elected a defined contribution retirement plan, the requirements for receiving a monthly retirement benefit under the defined benefit plan option of your retirement system apply. It does not matter whether you decide to actually draw a monthly benefit, elect the defined benefit lump sum distribution, or postpone withdrawal of your benefit. If you do not continue State Employee Group Benefits, or if you let your coverage lapse, you may not reinstate coverage at a later date.

Transfer Coverage: A retiree may choose to transfer coverage and become a dependent of an active or retired spouse on the State Plan while still retaining the right to return to coverage under his or her own name at a later date, if needed. A retiree who transfers onto another State Employee Benefit Plan member's coverage does not have to begin a new deductible for the remainder of the plan year or incur the 12-month waiting period on pre-existing conditions. If you transfer to your spouse's coverage and your spouse is an active employee, you may be able to transfer some or your entire plan C elective life insurance. Contact the Benefits Division for more information. If you transfer to your retired spouse's coverage, you lose all life insurance coverage. If your retiree coverage is reinstated due to termination of your spouse's employment, death, or divorce, and you are not Medicare eligible, Plan A basic life insurance coverage is reinstated.

Your options if you are NOT Medicare eligible: If you choose to continue state benefits, are under age 65, and not Medicare eligible, you must continue the core plan which includes medical, dental, and basic life. Continuing existing medical and/or dental coverage on dependents is optional. You are not eligible for group coverage of elective life or accidental death and dismemberment (AD&D) benefits. Please consult the life insurance conversion page for information on converting to an individual policy. If you have group long term care insurance through Unum Life Insurance, contact the Benefits Division at the above listed number for a form to continue this insurance by converting to an individual policy. This form must be submitted to the Benefits Division within 31 days of the end of group coverage.

Your options if you are Medicare eligible: If you choose to continue state benefits, and you are age 65 or over or otherwise eligible for Medicare, you must continue medical coverage. Continuing dental for yourself and any existing medical and/or dental coverage on dependents is optional. You are not

eligible for group coverage of any life or AD&D benefits. See the life insurance conversion page for individual policy options. If you have group long term care insurance through Unum Life Insurance, contact the Benefits Division for a form to continue this insurance by converting to an individual policy. This form must be submitted to the Benefits Division within 31 days of the end of group coverage.

Medical Plan Choices: At the time you retire, you must decide which medical plan to choose. You can either continue your current medical plan or choose a medical plan with a higher deductible for the remainder of the plan year, by indicating your choice on the Retiree Election Form. You will be able to elect any of the medical plans at the beginning of each plan year by making elections during the Annual Change period.

IMPORTANT NOTICE TO MEDICARE-ELIGIBLE MEMBERS: At age 65, or any time you or your spouse (if covered by the State Plan) become Medicare eligible and enroll in both Part A and Part B Medicare coverage, please notify the Benefits Division. If you do not provide proof of enrollment in Part A and Part B coverage, your State coverage pays as the primary carrier. In that case, your rate will continue to be based on the higher non-Medicare insurance rate for you and/or your spouse, and will not drop until proof of Medicare coverage is provided. See the Summary Plan Document (available at www.benefits.mt.gov) for more information. To assure full coverage, contact your local Social Security Administration Office to enroll in Medicare Part B, if you have not already done so and to confirm Medicare Part A coverage.

MEDICARE PART B ENROLLMENT: If you or your spouse are a) over age 65, b) waived Medicare Part B coverage at the time you turned 65 because you had active employee State Plan coverage, and c) plan to elect Medicare Part B now due to termination of employment, you must act promptly to avoid penalties by Medicare for late enrollment. Contact your agency payroll clerk for a letter verifying your State Plan coverage for Medicare purposes.

MEDICARE PART D ENROLLMENT: Medicare Part D is prescription drug coverage available from Medicare. As a member of the State Plan, your benefit package includes prescription drug coverage, which has been determined to be better than the basic Part D benefits. Most State of Montana retirees will have better prescription drug coverage, at a lower cost, by keeping the State of Montana plan and not enrolling in Medicare Part D. For more information, call the Benefits Division.

Disability Waiver of Life Insurance Premium: If you are retiring prior to age 60, and are permanently and totally disabled, you may qualify for waiver of life insurance premium through Standard Life Insurance. Contact the Benefits Division for more information.

Vision Coverage: Retirees who continue core benefits may also continue existing optional vision coverage. Coverage benefits are described in detail on the vision page of this booklet.

Long Term Care Coverage: If you are currently enrolled in long term care coverage, you will receive conversion information shortly after your retirement. If you are interested in purchasing this coverage, please contact the Benefits Division for a long-term care packet.

Long Term Disability Coverage: If you are currently enrolled in long term disability coverage, your coverage will end as of the date you retire.

Dependent Coverage Options: Continuing existing medical and/or dental and/or vision coverage on dependents is optional, but you must elect to continue existing medical coverage for your dependents within the 60-day grace period after your employee coverage terminates. Any eligible dependent may be added to dental coverage during the Annual Change period. To continue dependent dental coverage, the retiree must also continue dental coverage.

New dependents can be added to medical and/or dental ONLY if the request is made within 63 days of the qualifying event (marriage, loss of other coverage, etc.). Existing dependents can only be added to medical if they are **losing eligibility** for other group coverage (or if there is a substantial decrease in the level of existing coverage, as determined on an individual basis by the Benefits Division) and the request is made within 63 days of the termination date of the other coverage.

Flexible Spending Account Options: If you did not pre-pay the remainder of your annual flexible spending account election, your account(s) terminate(s) the end of the month in which full or partial payment has been contributed. You have 120 days after the day your account terminates to submit receipts for eligible expenses incurred during the time your account was active (between January 1 and the day your employee coverage terminates, in the year you retire). If you submit receipts more than 120 days after your account terminates, you will not be eligible for reimbursement for those expenses.

Premium Payment Options:

1) **Automatic Deduction from MPERA Benefit Allowance:** The Benefits Division can advise you of the first payment, which can be deducted from your MPERA benefit. You may choose to self pay premiums to the Benefits Division for any months prior to the date MPERA deductions begin.

2) **Monthly Self Payment to the Benefits Division:** Premiums are due on the first of each month with a 10 day grace period. No monthly bills are sent, however, coupon books are provided. This option would include payments from a VEBA account if you are eligible.

3) **Electronic Premium Deduction from a Checking or Savings Account:** Premiums are deducted from the designated account on the 6th of each month or the following working day if the 6th falls on a weekend or holiday. You must complete an Electronic Premium Deduction Authorization form (included in this packet).

4) **Pre-payment Prior to Leaving:** You may prepay premiums out of your final check. This option is only available if your final paycheck has not been received. To pre-pay, you must complete a Retiree Pre-Payment Option form (included in this packet if you have not yet retired).

You must mark your method of payment on the Retiree Election Form. If you do not check an option, we will assume that you are self-paying monthly.

How to Continue Coverage: Complete the Retiree Election Form and return the white copy to the Benefits Division, PO Box 200127, Helena MT 59620-0127. If you are under age 65 and not receiving Medicare, please complete and return the Life Insurance Enrollment/Change Form, which is included in this packet, to update your beneficiary information. To convert life insurance or long-term care coverage, contact the Benefits Division. If you have questions, call 444-7462 if calling from Helena or 1-800-287-8266 if outside Helena, or e-mail us at BenefitsQuestions@mt.gov.

2008 Retiree Benefits at a Glance

All Retirees:

Spouse Coverage Options

1. If you work for the state but your spouse does not, you may continue existing coverage for your spouse after you retire. If you do not cover your spouse currently, you may only add your spouse to your coverage within 63 days after your spouse loses eligibility for other coverage.
2. If you and your spouse both work for the state, the working spouse may cover the retired spouse. The retired spouse retains the right to exercise the transfer option.

Please note: Dependent medical or dental coverage can only be continued if the retiree continues medical and/or dental coverage.

Medical coverage includes the prescription drug plan, health screenings, and the employee/retiree assistance program.

Payment Options:

- Automatic Deduction from MPERA benefit
- Monthly self-payment to Benefits Division (this option includes VEBA if eligible)
- Electronic deduction from checking or savings
- Pre-pay out of final paycheck for the remainder of the benefit year **(This option is only applicable if you have not yet received your final paycheck)**

Non-Medicare Retirees:

Required: Core Benefits Plan

- Medical (on self)
- Dental (on self)
- Basic Life (\$14,000 term life insurance)

Optional: Dependent Medical Coverage
Dependent Dental Coverage
Vision Coverage (self and/or dependents)

Cancelled: Optional Supplemental Life Insurance (existing coverage is convertible to an individual policy)
Flexible Spending Accounts (unless pre-paid out of the final check for the remainder of the benefit year)
Long Term Disability
Pre-tax Plan
Long Term Care (existing coverage is convertible to an individual policy)

Medical Plan Options:

Traditional Indemnity Plan

New West Managed Care
Blue Choice Managed Care
PEAK Managed Care

} where available

Medicare-Eligible Retirees:

Required: Medical (on self)

Optional: Dental (on self)
Dependent Medical coverage
Dependent Dental coverage
Vision coverage (self & dependents)

Cancelled: All Life Insurance (existing optional life insurance is convertible to an individual policy)
Flexible Spending Accounts (unless pre-paid out of the final check for the remainder of the benefit year)
Long Term Disability
Pre-tax Plan
Long Term Care (existing coverage is convertible to an individual policy)

Medical Plan Options:

Traditional Indemnity Plan

New West Managed Care	} where available
Blue Choice Managed Care	
PEAK Managed Care	

How to Elect:

You must notify the Benefits Division if you want to continue coverage by completing the Retiree Election Form within 60 days of your retirement.

ANNUAL SCHEDULE OF BENEFITS

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MEDICAL PLAN



Blue Cross/Blue Shield of Montana • 1-800-423-0805 or 444-8315
www.bluecrossmontana.com

New West Health Plan • 1-800-290-3657 or 457-2200
www.newwesthealth.com

Peak Health Plan • 1-866-368-7325
www.healthinfonetmt.com

MEDICAL LIFETIME MAXIMUMS

Each Plan has a set maximum payable. This maximum is per person, per lifetime. The amounts shown below are the amounts that the plan would pay on an individual.

Traditional Plan: \$2,000,000 lifetime maximum; Additional \$2,000 available annually after the lifetime maximum is met.

Managed Care Plans: \$2,000,000 lifetime maximum; Additional \$2,000 available annually after the lifetime maximum is met.

MEDICAL PLAN COSTS

Annual Deductible

(Applies to all services unless noted or a co-payment is indicated)

Coinsurance Percentages (% of allowed charges member pays)

General

Preferred Facility Services *(See pages 21-22 for a list of preferred facilities)*

Nonpreferred Facility Services *(See page 22 for a list of non-preferred facilities)*

Annual Out-of-Pocket Maximums

(Maximum coinsurance paid in the year; excludes deductibles and copayments)

You pay deductible and coinsurance on allowable charges

MEDICAL PLAN COSTS

Hospital Inpatient Services*

**Pre-certification of non-emergency hospitalization is strongly recommended & required by some plans - see plan descriptions*

Room Charges

Ancillary Services*

Surgical Services*

Hospital Outpatient and Surgical Center Services*

BENEFIT YEAR 2008

NON-MEDICARE MEDICAL RATES (under age 65)

Monthly Premiums	Traditional	Blue Choice	Peak	New West
Retiree	\$557	\$466	\$524	\$444
Retiree & spouse	\$762	\$630	\$722	\$618
Retiree & children	\$662	\$550	\$630	\$538
Retiree & family	\$776	\$642	\$734	\$628
Retiree & Medicare spouse	\$652	\$542	\$620	\$532
Retiree & Medicare spouse and child	\$680	\$564	\$646	\$554

MEDICARE MEDICAL RATES (age 65 +)

Monthly Premiums	Traditional	Blue Choice	Peak	New West
Medicare retiree	\$194	\$172	\$188	\$160
Medicare retiree & spouse	\$408	\$344	\$394	\$340
Medicare retiree & children	\$346	\$294	\$338	\$292
Medicare retiree & family	\$430	\$362	\$414	\$358
Medicare retiree & Medicare spouse	\$358	\$304	\$348	\$300
Medicare retiree & Medicare spouse & family	\$386	\$328	\$374	\$322

TRADITIONAL PLAN

Administered by BCBS of MT

MANAGED CARE BENEFIT PLANS

BLUE CHOICE - Administered by Blue Cross/Blue Shield of MT

NEW WEST - Administered by New West Health Plan

PEAK - Administered by Peak Health Plan

Benefits

\$550/Member
\$1,650/Family

25%
20%
35%

Average of \$2,500/Member
(20% - 35% of \$10,000 in allowable charges)

Average of \$5,000/Family
(20% - 35% of \$20,000 in allowable charges)

Member Coinsurance:

20% - 35%

20% - 35%

20% - 35%

20% - 35%

20% - 35%

In-Network Benefits

\$400/Member
\$800/Family

25%

\$2,000/Member
\$4,000/Family

Member Coinsurance/Copayment:

25%

25%

25%

25%

25%

Out-of-Network Benefits

Separate \$500/Member
Separate \$1,000/Family

35%

Separate \$2,000/Member
Separate \$4,000/Family

Member Coinsurance:

35%

35%

35%

35%

35%

ANNUAL SCHEDULE OF BENEFITS

MEDICAL PLAN SERVICES

Physician/Professional Services (not listed elsewhere)

Office Visits

Inpatient Physician Services*

Lab/Ancillary/Injectibles/Miscellaneous Charges*

Emergency Services

Ambulance Services for Medical Emergency

Emergency Room *(If there is an inpatient emergency admission, see plan description for authorizing follow up care.)*

Hospital Charges

Professional/Ancillary Charges

Urgent Care Services

Facility/Professional Charges

Ancillary - Lab & Diagnostic Charges

Maternity Services

Hospital Charges*

Physician Charges (including delivery, pre and post-natal office visits) and lab charges*

Ultrasounds*

Routine Newborn Care

Inpatient Hospital Charges

Preventive Services (see plan descriptions for what services are covered and when)

Adult Exams and Tests

Adult Immunizations (such as Pneumonia and Flu)

Allergy Shots

Child Checkups and Immunizations

Mental Health Services

Inpatient Services*

Max: One inpatient day may be exchanged for two partial hospital days.

Outpatient Services

With EAP counselor referral

With NO EAP counselor referral

BENEFIT YEAR 2008

TRADITIONAL PLAN	MANAGED CARE IN-NETWORK	MANAGED CARE OUT-OF-NETWORK
25% (no deductible for first two non-routine office visits)	\$15/visit (covers professional charges only)	35%
25%	25%	35%
25%	25% (no deductible on injectibles without an office visit)	35%
25%	\$100 copay	\$100 copay
20%-35%	\$75/visit for facility charges only (waived if inpatient hospital or out-patient surgery coinsurance applies)	\$75/visit for facility charges only (waived if inpatient hospital or out-patient surgery coinsurance applies)
25%	25%	25%
25%	\$25/visit	\$25/visit
25%	25%	35%
20% - 35%	25%	35%
25%	0% if member enrolls in a prenatal program in first trimester of pregnancy; 25% without timely enrollment	35%
25%	25% (waived on first ultrasound if member enrolls in prenatal program as described above)	35%
20% - 35% (no deductible)	25% (no deductible)	35%
25% (no deductible) Max: 2 bone density tests/lifetime Max: \$500 for colonoscopy, sigmoidoscopy, or proctoscopy	\$15/visit (including specified labs) 0% (no deductible) for periodic mammograms 25% for periodic bone density scans, EKG sigmoidoscopies, double contrast barium, enemas, proctoscopies & colonoscopies	35% (plan pays \$75.00 for periodic mammograms - no deductible)
\$50 Max (no deductible)	\$15 with office visit 25% (no deductible) without office visit up to \$10	35%
25% (no deductible)	\$15 with office visit 25% (no deductible) without office visit up to \$10	35%
25% (no deductible) 0% (no deductible for County Health Department through age 7)	\$15/visit Max: Schedule recommended by US Department of Health & Human Services	35%
20% - 35% Max: 21 days (No max for severe conditions)	25% Max: 21 days/yr (No max for severe conditions)	35% Max: 21 days/yr (No max for severe conditions)
25% Max: 40 visits/yr (No max for severe conditions)	\$15/visit Max: 30 visits/yr (No max for severe conditions)	35% Max: 30 visits/yr (No max for severe conditions)
50% Max: 20 visits/yr (No max for severe conditions)	\$15/visit Max: 30 visits/yr (No max for severe conditions)	35% Max: 30 visits/yr (No max for severe conditions)

ANNUAL SCHEDULE OF BENEFITS

MEDICAL PLAN SERVICES

Chemical Dependency Services

Inpatient Services*
(*Inpatient services must be certified. Pre-certification is strongly recommended.*)

Outpatient Services*

With EAP counselor referral

With NO EAP counselor referral

**Dollar max for all Chemical Dependency Services: Combined inpatient/outpatient max of \$6,000/year; \$12,000/lifetime; \$2,000/year after max is met.

Rehabilitative Services - Physical, Occupational, Cardiac, Pulmonary, and Speech Therapy*

Inpatient Services*

Outpatient Services

Alternative Health Care Services

Acupuncture

Naturopathic

Chiropractic

Extended Care Services

Home Health Care*

Hospice*

Skilled Nursing*

Miscellaneous Services

Disease Process Education & Dietary/Nutritional Counseling

Durable Medical Equipment, Appliances, and Orthotics* (*Prior authorization required for amounts >\$1,000*)

PKU Supplies

Obesity Management* (*All plans require prior authorization*)

TMJ Treatment* (*All plans require prior authorization*)

Infertility Treatment* (*All plans require prior authorization*)

Bariatric Benefit* (*requires prior authorization*)

Organ Transplants (*Must be certified. Pre-certification is strongly recommended.*)

Transplant Services (including out-of-state travel)*

BENEFIT YEAR 2008

TRADITIONAL PLAN	MANAGED CARE IN-NETWORK	MANAGED CARE OUT-OF-NETWORK
20%-35% Max: Dollar Limit**	25% Max: Dollar Limit**	35% Max: Dollar Limit**
25% Max: 40 visits and Dollar Limit**	\$15/visit Max: Dollar Limit**	35% Max: Dollar Limit**
50% Max: 20 visits and Dollar Limit**	\$15/visit Max: Dollar Limit**	35% Max: Dollar Limit**
20% - 35% Max: 60 days/yr	25% Max: 60 days/yr	35% Max: 60 days/yr
20% - 35% Max: \$2,000/year for all outpatient (\$10,000/year for prior-auth. conditions)	\$15/visit Max: 30 visits/yr	35% Max: 30 visits/yr
25% (plus charges over \$30/visit)	Not covered	Not covered
25% (plus charges over \$30/visit)	Not covered	Not covered
25% (plus charges over \$30/visit) Max: 25 visits in any combination	\$15/visit Max: 20 visits/yr	35% Max: 20 visits/yr
25% Max: 70 days/yr	\$15/visit Max: 30 visits/yr	35% Max: 30 visits/yr
25% (20% - 35% if hospital-based) Max: 6 months	25% Max: 6 months	35% Max: 6 months
25% (20% - 35% if hospital-based) Max: 70 days/yr	25% Max: 30 days/yr	35% Max: 30 days/yr
20% - 35% Max: \$250/yr	0% (no deductible) Max: \$250/yr	35% Max: \$250/yr
25% Max: \$100 for foot orthotics (per foot)	25% (Not applied to out-of-pocket max) Max: \$100 for foot orthotics (per foot)	35% (not applied to out-of-pocket max) Max: \$100 for foot orthotics (per foot)
25%	25% (no deductible)	35%
25%	25% non-surgical only	Not covered
25%	25% surgical only	Not covered
25% 1 in-vitro attempt per lifetime	25% Max: 3 artificial inseminations/lifetime	Not covered
25% Lifetime Max: \$35,000	Not covered	Not covered
25% • Liver: \$200,000 • Heart: \$120,000 • Lung: \$160,000 • Heart/Lung: \$160,000 • Bone Marrow: \$160,000 • Pancreas: \$68,000 • Cornea/Kidney: No maximum	25% \$500,000 lifetime maximum with \$5,000 of the maximum available for travel to and from the facility.	Not covered

MEDICAL INSURANCE COST COMPARISONS FOR RETIREES

The following medical insurance cost comparison shows how the Traditional Plan would process the same service after Medicare and what costs the retired plan member would be responsible for paying. Costs for deductible and coinsurance are cumulative within the example. The lines show how costs are divided between the deductible and coinsurance costs. It does not include premium costs, which are outlined on page 9. This example assumes the services were for one member. This is simply an example and is not a guarantee that similar services will process identically.

Coinsurance percentages

Regular	25%
Preferred Facility Services (Traditional Plan)	20%
Nonpreferred Facility Services (Traditional Plan)	35%

Deductible levels

Traditional	\$550/\$1,650
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MEDICARE RETIREES

Sample Services	Medicare Allowable Charge	Your Costs After Medicare pays	BCBSMT Allowable Charge	Traditional Plan Pays
Office visits 1 & 2 (\$50 each)	\$100	\$100	\$100	\$75
Costs applied to deductible		\$100		
Coinsurance costs				\$25
Member Pays \$25				
Specialist visit (i.e. cardiologist)	\$600	\$120	\$600	\$37.50
Costs applied to deductible				\$550 (credit)
Coinsurance costs		\$120		\$12.50
Member Pays \$82.50				
X-Rays	\$100	\$20	\$100	\$20
Costs applied to deductible				
Coinsurance costs		\$20		
Member Pays \$0 (\$25 credit to out-of-pocket maximum)				

LIFE INSURANCE CONVERSION INFORMATION

Upon loss of eligibility for group life insurance coverage with the State of Montana, Employee Group Benefits Plan members are eligible for conversion to an individual policy with the carrier at higher guarantee-issue, individual policy rates.

A member loses eligibility for group life coverage when:

1) The member retires from the State of Montana;

If under age 65 and not Medicare eligible, Basic Life – Plan A, must be continued at the group rate. If over age 65 or otherwise Medicare eligible, Plan A may be converted. All remaining group life insurance is lost, and all except AD&D is eligible for conversion.

NOTE: If you retired before age 60, and are permanently and totally disabled you may qualify for waiver of premium through Standard Life Insurance. Contact the Health Care and Benefits Division for more information.

***** **CONVERSION** *****

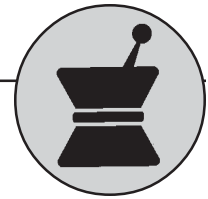
All members who lose eligibility for the State Employee Group Benefits Plan (described above) have life insurance coverage for an additional 31-day period following the termination date of their State Plan coverage. This is the “**Conversion Period**”. In order for life insurance coverage to be continued after the conversion period, the member must: 1) request conversion information before the end of their “Conversion Period”; and 2) complete and return all forms, along with payment, to Standard Insurance Company.

Complete and return the Standard Life Insurance Enrollment/Change form to the Health Care and Benefits Division, in order to update your beneficiary information for Plan A coverage.

To convert Plan A (if Medicare eligible or on COBRA), Plan B, C or D, contact the Health Care and Benefits Division for a self-addressed Standard Life Insurance Conversion Card. Complete the card and return it to Standard Life Insurance.

PRESCRIPTION DRUG PLAN - 2008

Administered by Caremark • 1-888-347-5329 • www.pharmacare.com



Retail Pharmacy Deductible

\$100/Member
\$300/Family

Mail Order Deductible

\$0/Member
\$0/Family

Out-of-Pocket Maximums

Each Prescription	\$250
Each Member	\$1,400/year
Each Family	\$2,800/year

Type of Drug

Supply Amount

Local Pharmacy Costs

• 30-day maximum

Mail Order Pharmacy Costs

• 90-day maximum

Generic

If Rx cost is <\$10
If Rx cost is \$10+

• Actual pharmacy charges
• 10% coinsurance (\$10 minimum)

• \$20 copay + 10% of cost over \$400*

Brand, Formulary

If Rx cost is <\$25
If Rx cost is \$25+

• Actual pharmacy charges
• 20% coinsurance (\$25 minimum)

• \$40 copay + 20% of cost over \$400*

Brand, Nonformulary

If Rx cost is <\$40
If Rx cost is \$40+

• Actual pharmacy charges
• 40% coinsurance (\$40 minimum)

• \$60 copay + 30% of cost over \$400*

* For prescriptions costing more than \$400 for a 90-day supply, call Caremark to determine the total out-of-pocket cost.

GENERAL INFORMATION

PRESCRIPTION OPTIONS

Prescription drugs may be obtained through the plan at either a local pharmacy or a mail-order pharmacy.

Local Pharmacies

You may obtain up to a 30-day supply of all covered prescriptions from a local pharmacy. Prescriptions filled at a retail pharmacy are subject to a \$100 per person or \$300 per family deductible. If you use a pharmacy in the Caremark Preferred Network and have met your deductible, you only pay the plan copay and any coinsurance. You will have no unallowed charges.

Up to date network pharmacies and formulary drug lists can be found at the Caremark website: www.pharmacare.com.

Formulary drug listings can also be found at the Health Care and Benefits website at www.benefits.mt.gov.

Note:

The deductible does not apply to prescriptions received from one of the mail order pharmacies!

Mail-Order Pharmacies

You may obtain up to a 90-day supply of all covered prescriptions with **no deductible**.

Mail order pharmacies are: Caremark Mail Order Pharmacy (1-888-347-5329) or Ridgeway Pharmacy (1-800-630-3214). Mail order forms are available at the Health Care and Benefits Division or at the Caremark website at www.pharmacare.com

PRESCRIPTION COSTS

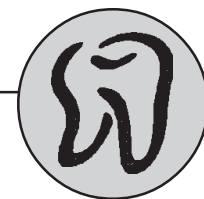
Please refer to the chart above for information on prescription drug costs. Generic and brand-named drugs which are on the formulary list are lower in cost than the brand name alternatives which are not on the formulary listing

PRIOR AUTHORIZATIONS

Some drugs require prior or special authorization. Contact Caremark to inquire if this may apply to your prescription.

For information on drug prior authorizations, vacation overrides, or any other questions, call Caremark at 1-888-347-5329.

DENTAL PLAN - 2008



Administered by Blue Cross/Blue Shield of Montana
1-800-423-0805 or 444-8315 • www.bluecrossmontana.com

Deductible

\$50/Member
\$150/Family

Monthly Premiums

Retiree only	\$31.00
Retiree and spouse	\$47.50
Retiree and children	\$46.00
Retiree and family	\$53.20
Retiree and Medicare spouse	\$47.50
Retiree and family (Medicare spouse)	\$53.20

Covered Services

Type A: Preventive and Diagnostic

Plan Pays

• 100%**

Limitations/Maximums

- One full-mouth X-ray or series in any 36-month period.
- One set of supplementary bitewing X-rays in any 180-day period.
- Two exams and/or cleanings in any benefit year. (Fluoride application covered through age 16.)
- No deductible or yearly dollar maximum apply.

Type B: Fillings, Oral Surgery, etc.

• 80%**

- Subject to \$50 combined (with type C) deductible
- Subject to \$1,200 combined (with type C) yearly maximum

Type C: Dentures, Bridges, etc.

• 50%**

- Subject to \$50 combined (with type B) deductible
- Subject to \$1,200 combined (with type B) yearly maximum
- Dental sealants – limited to covered dependents under age 16 – may be applied to molars once per tooth per lifetime.

**Of allowable charges.

GENERAL INFORMATION

Dental plan benefits are paid differently depending on the type of service received. There is a \$50 per member, \$150 family deductible for Type B & C services only. Deductible does not apply to Type A preventive services.

Each member and dependent has a yearly maximum benefit of \$1,200 for Type B & C services only. Maximum dollar benefit **does not** apply to Type A preventive services.

If you use a Blue Cross participating dentist, you will not be responsible for costs beyond the allowable charges for covered services. You may find a participating dentist at the Blue Cross/Blue Shield website (listed above) or by calling Customer Service (number listed above).

TYPE A SERVICES

The Dental Plan pays 100 percent of the allowable charges for Type A Services and are not subject to deductible:

1. Diagnostic – Dental X-rays required in connection with the diagnosis of a specified condition requiring treatment. Dental X-rays are limited to one full mouth

X-ray or series in any 36-month period and not more than two sets of supplementary bitewing X-rays in any benefit year.

2. Preventive – Oral examination, including prophylaxis (cleaning) and topical application of fluoride for dependent children under 16 years of age, but *not more than two examination and/or application in any benefit year.*

3. Unscheduled minor emergency treatment to relieve pain.

TYPE B SERVICES

The Dental Plan pays 80 percent of the allowable charges (after deductible) for Type B Services:

1. Passive space maintainers
2. Extractions
3. Fillings
4. Mucogingivoplastic surgery
5. Endodontics
6. Periodontics
7. Oral surgery

TYPE C SERVICES

The Dental Plan pays 50 percent of the allowable charges (after deductible) for Type C Services:

1. Crowns, bridge abutments (bridge retainers crowns), inlays, onlays, pontics and gold and porcelain fillings. Replacement of crowns is limited to once every five years.
2. Bridges.
3. Repair and rebasing of existing dentures.
4. Initial and replacement dentures, limited to no more than one set of replacement dentures in any 5-year period.
5. Up to \$1,500 per person, per lifetime for Dental Implants while under the plan. This maximum is separate from yearly maximum.
6. Dental sealants, limited to covered dependents under age (16) applied to molars once per tooth per lifetime. Repair and resealing are not covered.

VISION PLAN - 2008

Administered by EyeMed Vision Care underwritten by Fidelity Security Life Insurance Co.
1-866-723-0513 Fax: 1-866-293-7373
www.eyemedvisioncare.com



	Monthly Premiums
Member only	\$ 7.64
Member and spouse	\$14.42
Member and children	\$15.18
Member and family	\$22.26

Covered Services	Frequency	Coverage from an EyeMed Doctor	Out of Network Reimbursement
Eye Exam	12 months	\$10 copay	\$45 allowance
Frames	24 months	\$125 allowance with 20% discount > \$125	\$47 allowance
Standard Lenses (plastic single vision, bifocal & trifocal)	12 months	\$20 copay	\$45 allowance - single vision \$55 allowance - bifocal \$65 allowance - trifocal
UV coating		\$15 copay	N/A
Tint (solid and gradient)		\$15 copay	N/A
Scratch Resistance (standard)		\$15 copay	N/A
Polycarbonate		\$40 copay	N/A
Anti-Reflective Coating (standard)		\$45 copay	N/A
Progressive Lens		\$85 copay	N/A
Other Add-ons and Services		20% off retail price	N/A
Contact Lenses (if used instead of glass lenses)	12 months	\$125 allowance	\$80 allowance
Medically Necessary Contacts*		Paid in full	\$200 allowance

*Contact lenses that are required to treat medical or abnormal visual conditions, including but not limited to eye surgery (i.e. cataract removal), visual perception in the better eye that cannot be corrected to 20/70 through the use of eyeglasses, and certain corneal or other eye diseases.

GENERAL INFORMATION

Using Your EyeMed Benefit

Quality vision care is important to your eye wellness and overall health care. Accessing your EyeMed Vision Care benefit is easy. Simply locate a participating provider, schedule an appointment, present your ID card at the time of service, and the provider will take care of the rest.

Locating your Doctor

Check the online provider locator at www.enrollwitheyemed.com/access for a listing of providers near your zip code.

Once enrolled, visit www.emvc.com to view coverage and eligibility status.

Value Added Discounts

Members will receive a 20% discount on items not covered by the plan at Network Providers, which may not be combined with any other discounts or promotional offers, and the discount **does not apply** to EyeMed Provider's professional services, or contact lenses.

Members also receive 15% off retail

price or 5% off promotional price for Lasik or PRK from the US Laser Network, owned and operated by LCA vision. Since Lasik or PRK vision correction is an elective procedure, performed by specially trained providers, this discount may not always be available from a provider in your immediate location. For a location near you and the discount authorization please call 1-877-5LASER6.

Members receive a 40% discount off complete pair of eyeglasses purchased and an additional 15% discount off conventional contact lenses once the funded benefit has been used.

After initial purchase, replacement contact lenses may be obtained via the Internet at substantial savings and mailed directly to the member. Details are available at www.eyemedvisioncare.com. The contact lens benefit allowance is not applicable to this service.

Out-Of-Network Providers

Once enrolled, members can access their out-of-network benefit by:

1) Downloading an Out-of-Network Claim Form from the EyeMed Vision Care website, www.eyemedvisioncare.com, or by calling the Customer Care Center. Forms may be filled in on-line, saved, attached to an e-mail and sent to oonclaims@eyemedvisioncare.com.

2) Make an appointment with an out-of-network provider you trust as your choice vision care provider.

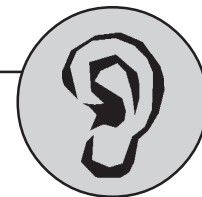
3) Pay for all services at the point of care and receive an itemized receipt from the provider office.

4) Complete the out-of-network claim form and submit along with receipts to EyeMed Vision Care's claims department for direct reimbursement.

You may fax your claim form to the fax number above. For fastest processing of your claim, utilize the fax or e-mail options.

RETIREE ASSISTANCE PROGRAM - 2008

Administered by Reliant Behavioral Health (RBH) • 1-866-750-0512 • www.ReliantBH.com



Covered Services

Short-term Services
Counseling
Legal Consultations
Financial Consultations

Long-term Services
Counseling
Psychiatric Services
Chemical Dependency Services

Costs

• Free
• Free
• Free

• 25% with RBH referral
• 25% with RBH referral
• 25% with RBH referral

Annual Maximums

• 4 visits per issue
• 1/2 hour consultation
• unlimited

• 40 outpatient visits
• 40 outpatient visits
• 40 outpatient visits

*Inpatient and Non-referred Services are covered in the Mental Health section of the Schedule of Benefits.

GENERAL INFORMATION

The Retiree Assistance Plan is an add-on benefit for all state retirees enrolled in a medical insurance plan. There is no separate premium for this plan, and it includes all dependents living in your household.

THE BENEFITS

The benefits provide a variety of services including confidential counseling, legal and financial services, access to the Personal Advantage website, and 24-hour, toll-free access to crisis counselors.

CONFIDENTIAL COUNSELING

The offers local, short-term counseling for a variety of issues including family, relationship, anxiety, grief, and other problems that may challenge you on a daily basis. You and your family members are eligible for up to 4 counseling sessions for each issue you encounter.

If a plan member involved in short-term counseling needs a higher level of care or long-term counseling, RBH will initiate a referral for the appropriate care. See your medical plan for coverage of longer-term services such as psychiatric care, chemical dependency, and longer-term counseling.

Traditional plan members will receive a better benefit for outpatient visits when they first obtain an RBH referral.

Managed care plan members do not need a referral to use RBH for short-term counseling needs. Please contact your plan administrator to determine referral requirements prior to receiving long-term benefits.

By utilizing the services provided by RBH at no direct cost to the member, the plan also experiences cost savings, which are ultimately passed on to all of the plan participants.

HELP IS HERE!

To schedule an appointment for:

- confidential counseling
- legal or financial services
- 24-hour crisis assistance.

CALL
1-866-750-0512

LEGAL & FINANCIAL SERVICES

You have convenient access to legal and financial professionals by simply contacting the EAP.

Legal services include a free, half-hour consultation, by phone or in person, followed with a 25% discount in legal fees. *Legal services are not provided for any employer related issues.*

Financial services provide unlimited phone access to financial professionals for assistance and appropriate referrals for a variety of issues such as debt counseling, budgeting, college planning, retirement planning, etc. Members who retain financial professionals receive a 25% discount for services.

PERSONAL ADVANTAGE WEBSITE

The EAP includes a wellness focused website, Personal Advantage, where you can access self-care tools and up-to-date information on work stress, parenting, relationships, personal growth, health, and child & eldercare resources, along with more than 60 on-line trainings.

To log in to Personal Advantage

1. Go to www.ReliantBH.com
2. Click on the Register button
3. Follow the Registration instructions.

24-HOUR CRISIS HELP

Crisis counselors are available 24 hours a day, 365 days a year to assist you or a family member experiencing a crisis situation. To access, call 1-866-750-0512.

HEALTH COACHING

Have you been thinking about losing weight or trying to exercise more? Maybe now is the time to quit smoking for good. Why not get a little support from a health coach?

All State plan members and their adult dependents have access to **free, confidential health coaching**. This benefit, designed in conjunction with the Wellness Program, offers individuals the opportunity to communicate with friendly, experienced health coaches at their own pace, by phone or email depending on the participant's preference. To get started, just call 1-866-750-0512.

WELLNESS PROGRAMS - 2008



Sponsored by the Health Care and Benefits Division
1-800-287-8266 or 444-7462 • www.benefits.mt.gov/wellness.asp

2008 Programs	Cost	Benefits
Health Screenings	Free annually to member and dependents over 18	<ul style="list-style-type: none">• Confidential screenings for glucose, cholesterol, HDL, LDL, triglycerides• Blood pressure and body mass index• Optional health screening tests and flu shots when available• Information on risk reduction through life-style modifications
<i>Why Weight</i>	Free	<ul style="list-style-type: none">• Helps qualified members get assistance from a health coach to reach weight loss goals.
Weight Watchers		<ul style="list-style-type: none">• Helps pay for qualifying employees/dependents over 18 to join Weight Watchers and get fit with up to \$75 biennial reimbursement
<i>Well on the Way</i>	Free	<ul style="list-style-type: none">• Assists qualified members to obtain health care services

GENERAL INFORMATION

The Wellness Program is designed to assist plan members in their effort to enhance their health. The program includes the following options:

HEALTH SCREENINGS

This program offers confidential individual health risk screenings and assessments for:

- glucose, cholesterol, HDL, LDL, and triglycerides;
- blood pressure and body mass index;
- optional screenings including PSA, TSH, CBC, Homocysteine, C-Reactive Protein, and flu shots when available.

Lab and health risk assessment results will be available for both the employee and the employee's physician as well as information on risk reduction through life-style modifications.

By participating in this FREE yearly screening, you save all the copayments or coinsurance that apply through your health plan.

WEIGHT WATCHERS

The Wellness Program will reimburse employees and/or dependents over 18 up to \$75/biennially if the following four criteria are met:

#1 Weight - Your beginning weight must be at least 10% over the maximum weight for your age (see Weight Watchers chart).

#2 Attendance - You must attend at least 75% of the classes offered.

#3 Achievement - You must achieve the 10% weight loss goal set in advance by the Weight Watchers instructor.

#4 Exercise - You must participate in some form of exercise three times per week and keep a journal of your exercise activities.

For more information on program qualifications and reimbursement instructions, call the Wellness Program.

TELEBUDDY OF MONTANA

This program is designed to increase breast health awareness by promoting breast self exam, mammography, and clinical breast exams. Learn what is normal for you so you can detect any changes in your breasts. Do your monthly breast self exam and call a friend and remind her to do the same.

WELL ON THE WAY

By completing a confidential questionnaire, you may qualify for this program designed to assist members with obtaining necessary health care services. Call the Wellness Program for more information.

WHY WEIGHT

If you are ready to lose weight, have participated in the Health Screenings, and a body mass index of 27 or higher, you can participate in this program. A health coach will assist you in setting and reaching your goals. Call RBH at 1-866-750-0512 for more information.

PARTICIPATING HOSPITALS - MANAGED CARE PLANS

BLUE CHOICE

City	Hospital
Anaconda	Community Hospital of Anaconda
Billings	St. Vincent Healthcare
Bozeman	Bozeman Deaconess Hospital
Butte	St. James Healthcare
Chester	Liberty County Hospital
Choteau	Teton Medical Center
Conrad	Pondera Medical Center
Dillon	Barrett Hospital & Healthcare
Ennis	Madison Valley Hospital
Fort Benton	Missouri River Medical Center
Great Falls	Benefis Health Care
	Central Montana Surgical Hospital
Hamilton	Marcus Daly Memorial Hospital
Hardin	Big Horn County Memorial Hospital
Harlowton	Wheatland Memorial Hospital
Havre	Northern Montana Hospital
Helena	St. Peter's Hospital
Kalispell	HealthCenter Northwest
	Kalispell Regional Medical Center
Livingston	Livingston Memorial Hospital
Miles City	Holy Rosary Healthcare
Missoula	Community Medical Center
	St. Patrick Hospital and Health Sciences
Plains	Clark Fork Valley Hospital
Polson	St. Joseph Hospital
Red Lodge	Beartooth Hospital & Health Center
Ronan	St. Luke Community Hospital
Roundup	Roundup Memorial Hospital
Shelby	Marias Medical Center
Sheridan	Ruby Valley Hospital
Superior	Mineral Community Hospital
White Sulphur Springs	Mountainview Medical Center
Whitefish	North Valley Hospital

PEAK HEALTH

City	Hospital
Anaconda	Community Hospital of Anaconda
Billings	St. Vincent Healthcare
Butte	St. James Community Hospital
Deer Lodge	Powell County Memorial Hospital
Forsyth	Rosebud Health Care Center
Hardin	Big Horn County Memorial Hospital
Harlowton	Wheatland Memorial Hospital
Red Lodge	Beartooth Hospital and Health Center

NEW WEST HEALTH PLAN

City	Hospital
Anaconda	Community Hospital of Anaconda
Big Sandy	Big Sandy Medical Center
Big Timber	Pioneer Medical Center
Billings	Billings Clinic Hospital
Bozeman	Bozeman Deaconess Hospital
Butte	St. James Healthcare
Chester	Liberty County Memorial
Chinook	Sweet Medical Center
Choteau	Teton Medical Center
Columbus	Stillwater Community Hospital
Deer Lodge	Powell County Memorial Hospital
Dillon	Barrett Hospital & Healthcare
Forsyth	Rosebud Health Care Center
Great Falls	Benefis Health Care
Hamilton	Marcus Daly Memorial Hospital
Hardin	Big Horn County Memorial Hospital
Harlowton	Wheatland Memorial Hospital
Havre	Northern Montana Hospital
Helena	Shodair Hospital
	St. Peter's Hospital
Jordan	Garfield County Health Center
Kalispell	Kalispell Regional Medical Center
Libby	St. John's Lutheran Hospital
Livingston	Livingston Memorial Hospital
Malta	Phillips County Hospital
Miles City	Holy Rosary Healthcare
Missoula	Community Medical Center
	St. Patrick Hospital and Health Sciences Center
Phillipsburg	Granite County Medical Center Hospital
Plains	Clark Fork Valley Hospital
Polson	St. Joseph Hospital
Red Lodge	Beartooth Hospital Health
Ronan	St. Luke Community Hospital
Roundup	Roundup Memorial Hospital
Shelby	Marias Medical Center
Sidney	Sidney Health Center
Superior	Mineral Community Hospital
Terry	Prairie Community Health Center
Townsend	Broadwater Health Center
White Sulphur Springs	Mountainview Medical Center
Whitefish	North Valley Hospital

PARTICIPATING FACILITIES - TRADITIONAL PLAN

Preferred 20% Coinsurance

Anaconda	Community Hospital of Anaconda	Kalispell	Heathcenter Northwest
Baker	Fallon Medical Complex		Kalispell Regional Medical Center
Big Sandy	Big Sandy Medical Center		Orthopedica Surgery Center
Big Timber	Pioneer Medical Center	Lewistown	Central Montana Medical Center
Billings	Billings Cataract and Laser Surgicenter	Libby	St. John's Lutheran Hospital
	Billings Clinic	Livingston	Livingston Memorial Hospital
	Health South Surgery Center	Malta	Phillips County Medical Center
	LaGreca Eye Clinic/Surgicenter	Miles City	Holy Rosary Healthcare
	St. Vincent's Healthcare	Missoula	Big Sky Surgery Center
	Yellowstone Surgery Center		Community Medical Center
Bozeman	Bozeman Deaconess Hospital		Missoula Bone & Joint Surgery Center
	Rocky Mountain Surgical Center		Providence Surgery Center
	Same Day Surgery Center	Philipsburg	St. Patrick's Hospital & Health Sciences
Butte	St. James Healthcare	Plains	Granite County Medical Center
	Summit Surgery Center	Plentywood	Clark Fork Valley Hospital
Chester	Liberty County Hospital	Polson	Sheridan Memorial Hospital
Choteau	Teton Medical Center	Poplar	St. Joseph Hospital
Circle	McCone County Health Center	Red Lodge	Poplar Community Hospital
Columbus	Stillwater Community Hospital	Ronan	Beartooth Hospital and Health Center
Conrad	Pondera Medical Center	Roundup	St. Luke Community Hospital
Culbertson	Roosevelt Memorial Medical Center	Scobey	Roundup Memorial Hospital
Cut Bank	Northern Rockies Medical Center	Shelby	Daniels Memorial Hospital
Deer Lodge	Powell County Memorial Hospital	Sheridan	Marias Medical Center
Dillon	Barrett Hospital and Health Care	Sidney	Ruby Valley Hospital
Ennis	Madison Valley Hospital	Superior	Sidney Health Center
Forsyth	Rosebud Health Care Center	Terry	Mineral County Hospital
Fort Benton	Missouri River Medical Center	Townsend	Prairie Community CAH
Glasgow	Frances Mahon Deaconess Hospital	Whitefish	Broadwater Health Center
Glendive	Glendive Medical Center	White Sulphur Springs	North Valley Hospital
Great Falls	Benefis Health Care		Mountainview Medical Center
	Central Montana Surgical Hospital	Wolf Point	Northeast Montana Health Services
	Great Falls Clinic Surgery Center		
	Pacific Cataract and Laser Institute		
Hamilton	Marcus Daly Memorial Hospital		
Hardin	Big Horn County Memorial Hospital		
Harlowton	Wheatland Memorial Hospital		
Havre	Northern Montana Hospital		
Helena	Helena Surgicenter		
	St. Peter's Hospital		

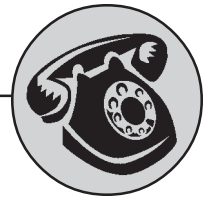
Non-Preferred 35% Coinsurance

Ekalaka	Dahl Memorial Healthcare
Helena	Shodair Hospital
Jordan	Garfield County Health Center

All Other 25% Coinsurance



RESOURCES



HEALTH CARE AND BENEFITS DIVISION
1-800-287-8266 or 444-7462 in Helena
www.benefits.mt.gov
email: benefitsquestions@mt.gov

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General benefits information and contacts.

BLUE CROSS AND BLUE SHIELD OF MONTANA
1-800-423-0805 or 444-8315 in Helena
www.bluecrossmontana.com

NEW WEST HEALTH PLAN
1-800-290-3657 or 457-2200 in Helena
www.newwesthealth.com

PEAK HEALTH PLAN
Customer Service/Benefits/Claims: 1-866-368-7325 (PEAK)
Provider Network: 1-888-256-6556
Prior authorization/Pre-certification: 1-866-275-7646
www.healthinonetmt.com

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www.ReliantBH.com

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EAP Services, counseling appointments & referrals, legal & financial resources

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UNUM LIFE INSURANCE COMPANY
1-800-227-4165
www.unum.com/enroll/stateofmontana

.....
Long-term care claims and information.

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EYEMED VISION CARE
1-800-227-4165
www.eyemedvisioncare.com

Vision benefit plan and related services